

**LOUISIANA PUBLIC SERVICE COMMISSION**  
**MINUTES FROM JUNE 22, 2011**  
**OPEN SESSION**

***MINUTES OF JUNE 22, 2011 OPEN SESSION OF THE LOUISIANA PUBLIC SERVICE COMMISSION HELD IN BATON ROUGE, LOUISIANA. PRESENT WERE CHAIRMAN JIMMY FIELD, VICE CHAIR CLYDE HOLLOWAY AND COMMISSIONERS FOSTER CAMPBELL, LAMBERT BOISSIERE AND ERIC SKRMETTA. ALSO PRESENT WAS EVE KAHAO GONZALEZ.***

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Open Session of June 22, 2011, convening at 9:27 A.M. and adjourning at 11:43 A.M., Natchez Room, 602 N. 5<sup>th</sup> Street, 1<sup>st</sup> Floor, Baton Rouge, Louisiana, with the above-named members of the Commission and Secretary Eve Kahao Gonzalez.

Ex. 1                      Announcements

Commissioner Skrmetta reminded everyone that there will be a technical seminar in the Metairie/New Orleans area in September regarding natural gas to liquid technology. Anyone interested in participating should contact Ingrid Garvey.

Commissioner Campbell asked Jim Ellis about the bill in the legislature regarding City of Bastrop taking over the Water Treatment & Controls Company d/b/a Peoples Water Service Company of Bastrop and what the system is valued at. Mr. Ellis stated that there has not been a fair market value evaluation done as of yet, but he estimates the value will be between 13 and 18 million dollars.

Ex. 2                      **T-31897 - Louisiana Public Service Commission vs. Available Movers (Opelousas, Louisiana).**  
In re: Alleged violation of Louisiana Revised Statutes Title 45, 163.1 through 194, as amended, by operating intrastate without LPSC authority by engaging in activities related to moving household goods prior to complying with the requirements of La. R.S. 45:164E(1).

**In re: Discussion and possible vote on a Stipulated Agreement pursuant to Rule 57.**

On motion of Commissioner Holloway, seconded by Commissioner Field, and unanimously adopted, the Commission voted to exercise its original and primary jurisdiction pursuant to Rule 57.

On motion of Commissioner Holloway, seconded by Commissioner Campbell, and unanimously adopted, the Commission voted to accept the Staff Recommendation and approve the agreement between Staff and the Carrier, wherein the Carrier agreed to plead guilty, and agreed to pay a fine of \$1000.00 with \$500.00 of the fine being suspended, conditioned on not committing any additional violations within 12 months of the date of the Order and further agreed to pay a citation fee of \$25.00, for a total of \$525.00, to be paid within 15 days of the issuance of the Order herein.

Ex. 3                      **T-31898 - Louisiana Public Service Commission vs. Specialized Movers & Maintenance (Westlake, Louisiana).**  
In re: Alleged violation of Louisiana Revised Statutes Title 45, 163.1 through 194, as amended, by operating intrastate without LPSC authority by engaging in activities related to moving household goods prior to complying with the requirements of La. R.S. 45:164E(1) and for failure to comply with the requirements of General Order dated April 3, 2008.

**In re: Discussion and possible vote on a Stipulated Agreement pursuant to Rule 57.**

On motion of Commissioner Holloway, seconded by Commissioner Field, and unanimously adopted, the Commission voted to exercise its original and primary jurisdiction pursuant to Rule 57.

On motion of Commissioner Holloway, seconded by Commissioner Boissiere, and unanimously adopted, the Commission voted to accept the Staff Recommendation and approve the agreement between Staff and the Carrier, wherein the Carrier agreed to plead guilty, and agreed to pay a fine of \$1000.00 with \$500.00 of the fine being suspended, conditioned on not committing any additional violations within 12 months of the date of the Order and further agreed to pay a

citation fee of \$25.00, for a total of \$525.00, to be paid within 15 days of the issuance of the Order herein.

- Ex. 4      **U-31841** - Entergy Gulf States Louisiana, ex parte. In re: Application of Approval to Purchase Electric Power from the Dow Plaquemine Facility, and for Cost Recovery.

On motion of Commissioner Field, seconded by Commissioner Skrmetta, and unanimously adopted, the Commission voted to accept the Staff Recommendation and approve the application.

- Ex. 5      **U-31894** - Entergy Louisiana, LLC, ex parte. In re: Application for Approval to Securitize Investment Recovery Costs Related to the Little Gypsy Unit 3 Repowering Project authorizing the Company to finance its investment costs pursuant to Act 988.

**In re: Discussion and Possible Vote on Proposed Uncontested Stipulation.**

On motion of Commissioner Skrmetta, seconded by Commissioner Holloway, and unanimously adopted, the Commission voted to accept Staff Recommendation and approve the Stipulation as filed into the record on June 9, 2011.

- Ex. 6      **R-30738** - Louisiana Public Service Commission, ex parte. In re: Identification of Regulatory Obstacles to Merchant Transmission Investment in Louisiana and Analysis and Recommendation of Potential Regulatory Framework Governing Merchant Transmission Investment in Louisiana.

**In re: Discussion and possible vote to approve updated annual budget for consultants.**

On motion of Commissioner Skrmetta, seconded by Commissioner Field, and unanimously adopted, the Commission voted to accept the Staff Recommendation and approve the requested budgets as follows: J. Kennedy and Associates' budget is for \$75,000, plus \$9,000 in expenses, Patterson Consulting's budget is for \$135,000 plus \$35,000 in expenses, and Exeter Associates' budget is for \$105,000 plus \$10,500 for expenses.

- Ex. 7      **R-31417** - LPSC, ex parte. In re: Re-examination of the Commission's Net Energy Metering Rules found in General Order No. R-27558, dated November 30, 2005 (the "Net Metering Order").

**In re: Discussion and Possible vote on Proposed Changes to Net Metering Rules.**

Commissioner Skrmetta made a motion to accept Staff Recommendation and adopt the rules proposed June 10, 2011, excluding Section 2.06 B and 2.06 C adding that pricing for projects larger than 300 kW would be at the utility's avoided cost. Commissioner Field seconded this motion; however Commissioner Skrmetta subsequently withdrew his motion.

On motion of Commissioner Skrmetta, seconded by Commissioner Field, with Commissioners Campbell and Boissiere concurring and Commissioner Holloway objecting, the Commission voted to adopt the rules proposed June 10, 2011, excluding Sections 2.06 B and 2.06 C and reserving the Commissions right to determine on an individual basis the appropriate pricing on projects larger than 300 kW.

Commissioner Skrmetta asked Tommy Milliner, attorney for the Alliance for Affordable Energy, to report back to the Commission regarding payments the Alliance received from the Surdna Foundation in relation to the Alliance's efforts in getting Little Gypsy 3 cancelled.

- Ex. 8      **S-30336, S-30395 Consolidated** - Entergy Gulf States, Inc., ex parte CONSOLIDATED WITH Entergy Louisiana, Inc., ex parte. In re: Application for Approval of Advanced Metering Pilot Program.

**In re: Discussion and Possible Vote on Uncontested Order Adopting Staff Report.**

On motion of Commissioner Skrmetta, seconded by Commissioner Holloway, and unanimously adopted, the Commission voted to accept the Staff Recommendation and adopt the draft Order

accepting the uncontested Staff Report filed into the record on June 8, 2011. The Staff Report includes Staff's concurrence with the request by ELL and EGSL to discontinue their AMI pilots.

Ex. 9 Presentation by Entergy in response to Commissioner Skrmetta's question regarding any money savings and/or trade benefits realized by ratepayers should Entergy join an RTO.

Karen Freese and Mark Kleehammer gave a presentation on behalf of Entergy on the potential for savings and trade benefits to customers under SPP and MISO RTO.

Commissioner Skrmetta thanked Entergy for the presentation, but asked that they come back in September or October with a real dollar value comparison. Commissioner Field further directed Entergy to look into what would happen if Arkansas chooses not to join MISO.

Commissioner Holloway directed CLECO to present a similar analysis regarding joining an RTO at next month's meeting.

Ex. 10 1) Reports  
2) Resolutions  
Resolution No. 2011-03 In re: Funding for the Louisiana Railroad Inspection and Safety Initiative  
3) Discussions

On motion of Commissioner Campbell, seconded by Commissioner Field, with Commissioners Boissiere and Skrmetta concurring and Commissioner Holloway objecting, the Commission voted to adopt the Resolution regarding funding for the Louisiana Railroad Inspection and Safety Initiative as read into the record.

Commissioner Skrmetta directed Staff to take whatever action is necessary to ensure all PSC Enforcement Agents receive POST certification in police training and are licensed to carry a weapon as soon as possible.

Commissioner Skrmetta directed Staff to activate Docket No. R-26018, establish a schedule and seek comments in order for the docket to be completed by December 2011.

Commissioner Holloway inquired as to whether the AT&T/T-Mobile merger is on schedule for a July vote. Deputy General Counsel Brandon Frey stated it is on schedule and there should not be any delays.

Ex. 11 **S-31948** - Eastside Utilities System, Inc. and Greater Ouachita Water Company, ex parte. In re: Request for a Letter of Non-Opposition to the transfer of a water system from Eastside Utilities System, Inc. to Greater Ouachita Water Company.

**In re: Discussion and Possible Vote to Approve Letter of Non-Opposition to Transfer.**

**At the request of Commissioner Campbell.**

On motion of Commissioner Campbell, seconded by Commissioner Holloway, and unanimously adopted, the Commission voted to accept the Staff Recommendation and authorize the issuance of a letter of non-opposition to GOWC.

Ex. 12 **S-31785** - Liberty Water Company and Louisiana Land & Water Company, Inc., ex parte. In re: Request letter of non opposition to the proposed asset transfer of system assets of Louisiana Land & Water Company, Inc. to Liberty Water Co., in Accordance with Assets Purchase Agreement.

**At the request of Commissioner Campbell.**

On motion of Commissioner Campbell, seconded by Commissioner Skrmetta, and unanimously adopted, the Commission voted to accept the Staff Recommendation and issue an order stating its non-opposition to the proposed acquisition of LLWC, subject to the condition of \$54,051.45 being withheld from LLWC's proceeds of the sale to satisfy outstanding balance due to Acadian Consulting. The Commission further approved the proposed base rate base value of \$6.5 million

assigned to the system by Liberty.

## **MEETING ADJOURNED**

The next Business and Executive Session will be held July 27, 2011 at 9:00 a.m. in Baton Rouge, Louisiana.